



Akrivia HCM

people
matters

FUTURE OF PEOPLE ANALYTICS 2023

Key Trends and Insights

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Introduction:

How can organisations become digitally empowered with people analytics?

The HR Tech revolution has been brewing for long but it continues to change shape and form. In the current business climate, there is a gradual shift towards the rising importance of HR tech not simply for experience but for data. With SkyQuest predicting global HR Tech to be valued at \$35.68 billion by 2028, organisations will witness increasing involvement of data-driven analytics and predictive analysis to identify growth opportunities and make strategic decisions.



People analytics can address various challenges in 2023, empower strategic workforce planning and successful talent acquisition, strengthen DEI values and policies, and heighten employee engagement and retention. By leveraging the power of people analytics, businesses can undoubtedly gain a competitive advantage by better understanding their workforce and making more informed decisions.”

Mohit Saxena

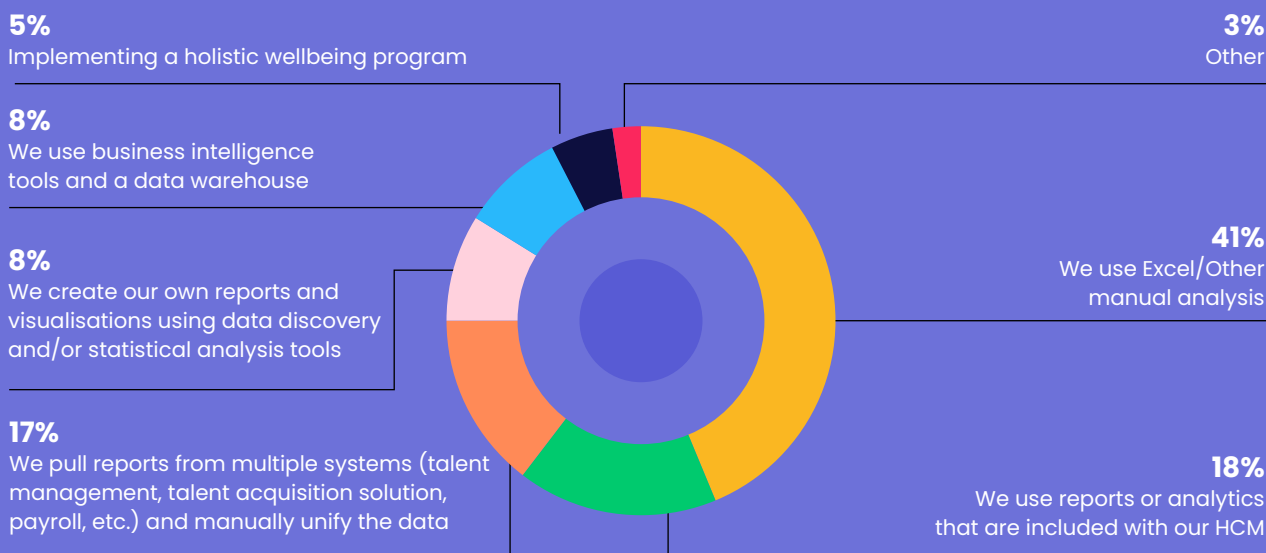
Head of Human Resources,
Bajaj Energy.



People analytics indeed is a catalyst of change across HR processes because data insights lead to more informed, quicker decision-making that not only positively influences employee behaviour but also increases productivity across different verticals. It calls for seamless integration of tools and technologies that can derive this critical data from the various divisions of HR. But what are organisations across India currently doing to ensure this?

While 44% of organisations have already implemented people analytics software, 42% are yet to embrace this transformative technology. Additionally, 14% actively plan to incorporate people analytics into their HR practices.

If yes, what People Analytics solutions are you currently using?



Excel and manual analysis of people analytics surprisingly continue to reign at the top in India with a massive 41%, but this can get challenging when operating in a market that is uncertain and rapidly transforming. Organisations must carefully outline their priorities and select the right HCM model to get the most out of people analytics, especially as new technologies flood in. There is increasing demand for change agility. For C-Suite and HR Leaders, HCM will be vital in curating data-driven insights that result in actionable policies. Data will definitely be the critical turning point in designing resilient business models and unlocking the potential of your people for the future of work.

Data and methodology

Future of People Analytics 2023: Key Trends and Insights taps into critical trends in people analytics, its impact on the workplace and business growth and how to invest in the right systems for building resilient and agile organisations.

People Matters and Akrivia HCM surveyed over 130 HR leaders across India between April and May 2023. The survey was conducted completely online and was supported with qualitative analysis of virtual interviews conducted with 9 HR Leaders of leading companies from various industries.



Chapter 1:

Streamline workflows, seamless employee lifecycle: The value of data in HR



As employee expectations continuously evolve with the introduction of new working arrangements, it is imperative that HR leads the creation of a culture where every hire goes through delightful experiences right from recruitment, onboarding, training and development, performance management and even when exiting the organisation.

Culture, after all, is the bedrock of a robust employee experience (EX) that pays dividends in workforce engagement, productivity and unlocking the potential of your people to thrive and innovate even during challenging times. But the burning question is, how can organisations continuously strengthen their culture and transform at the speed of change? This is where people analytics comes in.

People analytics is imperative to the strategic effectiveness of an employee's hire-to-retain journey. With intensified talent war in the market, people analytics will be critical to identifying the right talent source pool faster and without biases. It will be key to talent retention and upskilling for business success as it empowers organisations to follow a more fact-based approach. For instance, the data from predictive attrition models can enable HR teams to identify talent at risk and plan mitigation.



Meenakshi Cornelius
CHRO, JLL

There is no doubt about the innumerable benefits that people analytics can bring to HR, employees and the organisation as a whole. Along with targeted talent acquisition and tapping into unexplored talent pools, it will also support in designing an engaging EX by providing insights into what employees value. This ranges from measuring workforce engagement, identifying their needs and preferences, and tracking their sentiment to providing personalised experiences. People analytics is equally important for measuring the key milestones and events of an employee journey while continuously optimising organisational processes and policies.

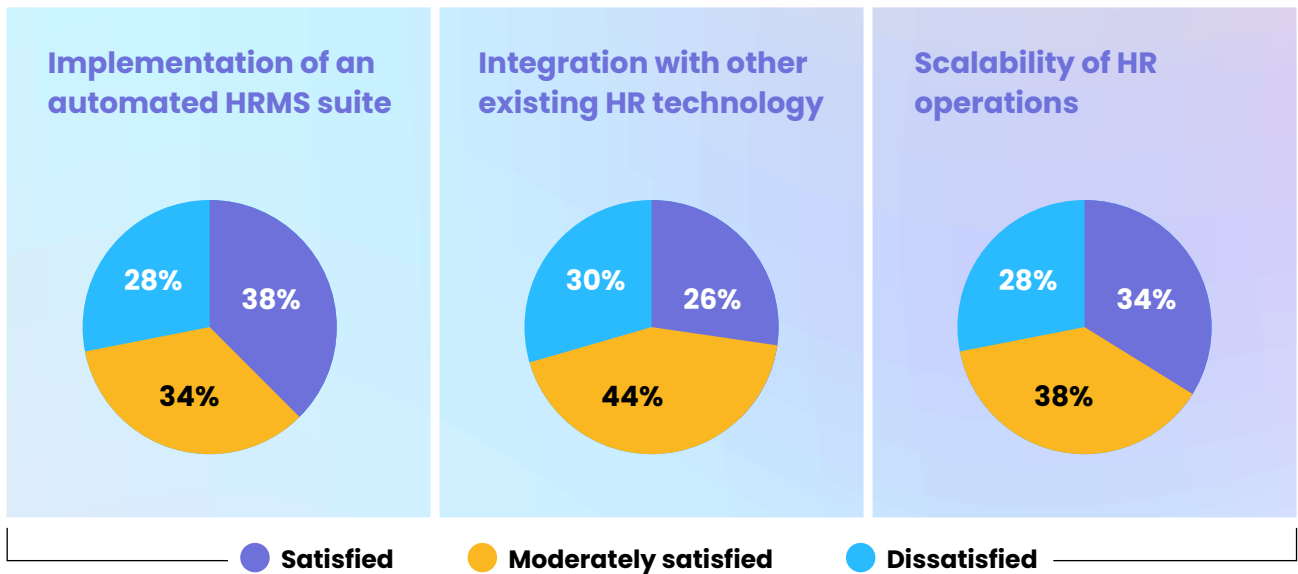
For instance, key disengagement area calibration can be done by closely measuring lifecycle task completion scores and efficiencies around the same. Indicators around goal setting, career aspiration calibrations and training need analysis are also critical. For managers, especially to identify potential gaps in the EX and resolve issues that may arise, tracking and monitoring data points will be key to managing large teams.

At Canon India, we started our analytics journey almost two decades back. With a strong HRIS foundation, we run the right analytics on it to get invaluable workforce insights that augment the HR team's deliverables. We understand employee needs and preferences, identify engagement drivers and detect behavioural trends to develop tailored strategies aligned with business goals. Most importantly, we foster a more inclusive workplace culture by solving diversity gaps by analysing employee demographics, promotion rates and pay data. Overall, people analytics tackles potential sources of employee dissatisfaction and evaluates skill gaps that can help attract, retain, and engage top talent.



Shikha Rai
Sr. Vice President- IT & HR, Canon India

Having the right HRIS or HCM will definitely support businesses in curating the right insights and act on them to deliver the desired results. People analytics must support the HR function's vision and mission to deliver excellence to its people and motivate them to perform their best. When we asked organisations across India about their satisfaction with their current state of people analytics with respect to their HR operations, this is what we found:



While there seems to be an even distribution of sentiment when it comes to satisfaction levels, this also points out that there is a lot of room for growth and improvement when it comes to the results of implementing people analytics software. To win over organisations and to successfully integrate with their HR tech systems and empower them to scale up, satisfaction levels regarding people analytics must continuously rise. Even moderate satisfaction levels call for more innovation and fine-tuning, as different businesses tend to have vastly diverse needs.

But this in no way takes away the power and potential of people analytics in this current day and age. Acknowledging its present state of impact means exploring ways to mine its benefits even more and tapping into the solutions that exist to bridge any and all gaps. If HR can win with people analytics, how do we leverage it to push HR to become a more data-driven function?

The right people analytics strategy or solution at the end of the day will enable companies to collect data from various sources. It will also empower them to translate this data easily into actionable insights. This will push employee experience to not only become more outcome-driven but will ensure it's designed with thoughtful customisation and continuous improvement based on employee feedback. We all know that when strategies and decisions are based on facts and findings over instinct or biased assumptions, organisations can ensure a better employee experience framework and streamline business strategies. This is vital in keeping employees happy and productive in today's extremely competitive talent and business landscape.

Chapter 2:

Leveraging people analytics for strategic succession planning

The sustained success of any establishment rests not only on the resilience of its current workforce but how the ship is steered by the present and the future leadership bench. Whether it's inspiring your people to push boundaries, reassuring them through challenging times, ensuring they feel heard and seen, or even empowering them to prioritise their wellbeing, leaders at every level of the organisation play the function of a strong anchor. As critical as they are to drive desirable business outcomes, one cannot underplay how they strengthen and reinforce the ethos of the enterprise.

However, organisations have often faced challenges in designing a robust succession planning framework, and it remains an area of concern, especially in this disruptive business landscape. Identifying high-potential professionals and then training them to lead the next generation is a process that calls for continuous optimisation. When we spoke to HR leaders across India, one solution they offered was leveraging data-driven insights. They firmly believe it can be crucial in building a solid leadership pipeline aligned with the company's vision and prepared for future challenges.



Conducting various data-driven analyses like team analytics, job-fit studies, and internal and external benchmarking enables organisations to construct a framework to identify future leaders, further analyse their competency, plan their growth curve, and measure results. It can be used to follow the progression of future leaders, spot their achievements and shortcomings, and create an action plan to help them grow further.



Reetu Raina

VP and Global Head of Talent Management, Amdocs

Not only does people analytics support organisations in identifying employees who possess leadership capabilities, but it can also map relevant competencies and, accordingly, create targeted development programs for different levels of leadership. Most importantly, it can improve the quality and efficiency of succession planning by reducing human bias and errors and in turn, making the process more accurate and consistent.

People analytics is also critical in tracking the leadership succession plan in action, identifying potential gaps in leadership talent, and developing contingency plans for a smooth transition. Ultimately, data-driven insights play a decisive role in designing a strong and sustainable ecosystem for leaders within any organisation. However, to successfully leverage this data for leadership development frameworks, it will be essential to understand your business goals along with analysing the collected metrics.

At Pitney Bowes, we have several data-driven programs like the Sprint Development Program, which is designed to accelerate the development and visibility of our diverse talent, or the Leadership Essentials, a virtual instructor-led training session for newly hired and promoted managers who want a refresher on management best practices. Organisations can develop a well-rounded and future-ready leadership pipeline by using data-driven insights to develop targeted training programs.



Renu Shekhawat

Director & Head of Human Resources, India & ANZ, Pitney Bowes

Chapter 3:

Elevating business performance with data-driven insights

In the age of accelerated change, businesses must become agile and resilient. While these two critical characteristics depend on the workforce you hire and nurture, organisations cannot overlook the value added by data-driven insights curated from people analytics. After all, this data impacts workforce planning, building a leadership succession plan and bridging any skill gaps that may arise with the continuous introduction of new technologies. This eventually translates into business performance and designing organisational growth strategies for the short and long term.

84% of organisations in India believe that people analytics is vital to their business growth and strategy.



This is not surprising given that harnessing data effectively is known to create many opportunities for enterprises to solve problems, engage in smart decision-making, minimise risk and thrive. People analytics also plays a critical role in companies prioritising employee centricity and offering exceptional people experiences for their workforce. Their focus on eliminating friction is furthered by evidence-based decision-making. As more industries put technology at the core of their business operations, data-driven insights will increasingly influence and guide strategic business decisions.

But to use and analyse data successfully, employees will require access to the right data for their job along with technology and resources that will support finding and understanding relevant insights. This also applies to HR leaders who are tasked with crafting impactful and outcome-driven talent management strategies. When your people are better equipped to address compelling data and analytics use cases, they can build value for your customers and stakeholders by solving specific business challenges and answering immediate questions.

Comprehensive data-driven approaches include insights that come from people analytics or talent analytics functions. This helps navigate risk and identify opportunities and investment areas for the business. The people analytics function also plays a significant role in preserving the organisation's memory, therefore eliminating any possibility of repeating history, even in new and dynamic market contexts. As with any business, patterns observed over the previous years cannot be ignored to develop futuristic plans or strategies.



Chirag Doshi
Head of People, Thoughtworks

And so, it becomes imperative for businesses to have a data-driven culture. When decisions are based on data, the chances of things going wrong go down significantly, especially when experimenting or taking risks. In cases where organisations are venturing into unknown territory for scaling up, merging with local companies or exploring new markets, a data-driven approach is always beneficial. It shows the feasible and most efficient paths.

When setting the business strategy in motion for, let's say, the upcoming financial year—you can't really go all in or make an informed decision without factoring in last year's performance and deriving insights from some pertinent aspects like what were the market trends, or, the things that worked versus areas of opportunities. The application of data analytics doesn't just quite stop there—monitoring real-time data can help you to course correct as and when required to ensure your performance scores are always high and true to your business targets.



Asit Kumar
CHRO, Lendingkart

At the end of the day, designing and implementing a successful and targeted business action plan will call for a data-first mindset to make decisions and drive business value for all parties involved. Relying on numbers, market trends and analytics use cases will be pivotal to building resilient business models that smartly navigate risk and are well-equipped for any disruptions in the industry. The future of any organisation, whether in a known or unknown market and even with the most talented workforce, must strategically leverage people analytics.

Chapter 4:

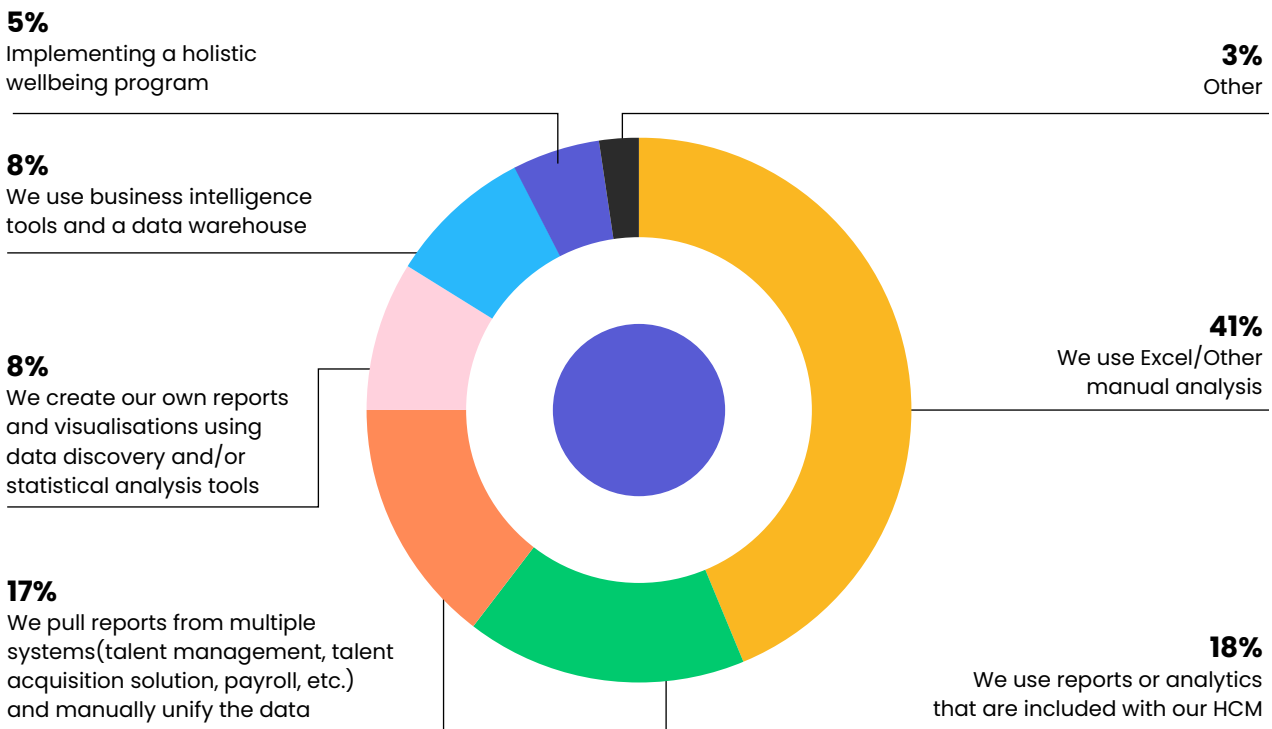
Empowering your organisational data culture with fundamental data practices

Organisational data culture is the bedrock of crafting any data-driven strategy or leading evidence-based decision-making. It is strengthened by a workforce that values, practices, and promotes data use to generate positive outcomes, including greater data exploration and curiosity, and improved collaboration and ability to break down silos. They ultimately set higher expectations from data-related activities as they proceed with trust, accountability and a commitment to realising value from data.

But realising this vision means ensuring everyone in the organisation can use data to drive decision-making. However, our survey highlights that while there are several roadblocks in India when it comes to actually achieving this, one of them reigns supreme.



If yes, what People Analytics solutions are you currently using?



Indeed, data skills to successfully leverage analytics (25%) is the leading cause for concern, followed closely by data quality (20%) and synchronisation across disparate data sources (20%). Organisations must spotlight the skills needed for data literacy through online and in-person training, third-party programs and more—these are steps that will start aligning business processes with relevant insights. It’s essential to grow your analytics maturity and prioritise your employees’ ability to explore, understand, and communicate with data.

Leaders also play an important role in this endeavour by committing to use analytics solutions to ask and answer questions. By fostering an environment that encourages trial, error and learning to produce innovative processes by leveraging data, executives can support building data skills with a 360-degree approach so that everyone can efficiently use data-driven insights to influence actions.

And while training and development is the starting point of bridging the digital skills gap, equally vital is lowering the barrier of entry to use people analytics so that more of your workforce can solve complex analytics questions.

One way is to enable intuitive, self-service analytics that empowers business users—people who aren’t trained analysts—to use relevant data to their work. Your employees will then have the tools and power to solve their questions and discover insights faster. They can collaborate to ensure customised metrics and dimensions have been agreed upon and support their team’s goals.

With the growing importance of people analytics in modern digital businesses, there is no doubt that it is urgent to elevate the quality of 'people data' with the right systems and workflows. Both are important ingredients in the growth of an organisation as they bring in operational efficiency, reduce dependency on individuals and reduce cross-functional friction.

Organisations need to start by creating a robust integrated process for maintaining the accuracy and sanctity of data. When this is in place, one can establish the right metrics to track data with regard to various processes across the business verticals. It is very important to have integrated tools rather than using different tools to be able to save time and develop deeper insights.



Dr. C Jayakumar
Executive VP & Head CHRO,
Larsen & Toubro

Adopting a people analytics tool or a full-suite HRIS or HCM that is relevant and easy to run for the organisation will play a fundamental role in addressing the challenges they currently face when leveraging people analytics. When businesses build or enhance a data culture through strategic technology investments, they support data skills and develop infrastructure to enable wide-scale decision-making with data, improving behaviours and beliefs across the organisation concerning data practices.

And so it is not surprising that according to our pulse survey, as many as 59% of organisations in India are likely to invest in HCM systems to get insights from people analytics. After all, they support creating a clean and organised database with defined data governance. Not only is there a standardised collection of complete, accurate and consistent data backed by robust data audits, but such systems also help strengthen a culture of data-driven decision-making by providing reliable, relevant and timely data inputs. Their greatest asset is the streamlined collection and consolidation of data.

This ensures that data becomes a main ingredient of business value creation and the organisation drives tangible outcomes that support the overall mission and vision. When employees are empowered with the right data insights needed to do their jobs, businesses will engage their workforce, facilitate organisational agility, and develop opportunities for customer-focused innovation.

Conclusion

Today, many organisations are continuously on a transformation journey, and this is a key challenge. Achieving excellent business outcomes undoubtedly requires fact-based KPIs and targeted interventions to drive change. And so, functional knowledge guiding the people analytics division is an important requirement in this pursuit. When resources and efforts are invested in developing a fact-based culture, this will help reinvent HR as a formidable business partner.



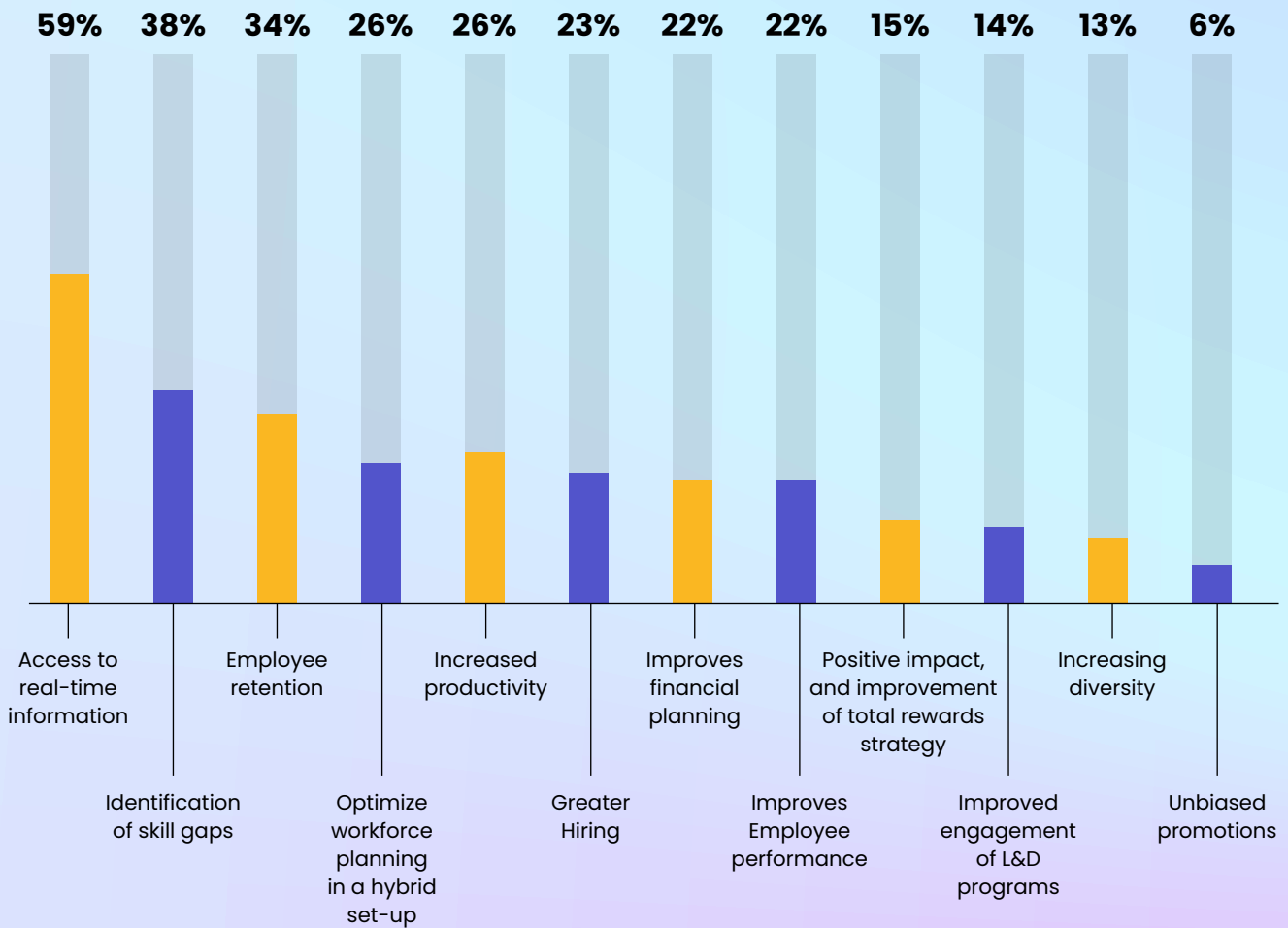
Priyanka Anand

VP & HR Head for Southeast Asia, Oceania, and India, Ericsson

People analytics is crucial to the success of HR as it takes on an increasingly cross-functional role, especially in supporting business growth and strategy. This rings even more true today as organisations must transform and adapt at the speed of change, with continuous disruptions in the world of people and work. Data-driven insights have taken on a new urgency and importance for enterprises and employees in general as it pushes them to become more resilient and agile in the face of unprecedented change. When we asked organisations across India what they believe to be the top three benefits of leveraging people analytics, this is what we found:



What are the top three benefits of using people analytics so far?



Access to real-time information (59%) came out on top, followed by identification of skills gaps (38%) and employee retention (34%). This points out what employers today want to achieve through data-driven insights and what they truly prioritise. When it comes to real-time data collection, this calls for systems that capture this information accurately and make people analytics accessible to all employees. Data plays an invaluable role across business and people strategies, ensuring that your employees are equipped with the most relevant skills while providing engaging experiences that ensure they stay on for the long term.

And so organisations will have to invest in the right systems if they want to win with people analytics. The opportunities for growth and innovation are innumerable, but the right benchmarks and foundations must be set to enable your employees, leaders and the business at large to thrive. Policies and strategies can only be efficient if they are based on data and take a fact-based approach. People analytics is a practice that enables you to bridge gaps and implement actionable steps that drive business performance and maintain workplace success.



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